

The application process for the universal service discount could stand some serious reassessment.

I like to draw parallels between filing income tax forms and filing for the E-Rate. The process has many similarities, except for the fact that with E-Rate, we are asked about our expenditures before they have even been budgeted.

For instance, in my current position, a new phone system has been installed that will definitely impact our telecommunications costs. At about a month old, we have no definitive way of assessing that impact, and even our best guesses could only be developed into a budgeting plan after we had negotiated contract possibilities with the various vendors.

This would not be much of an issue if we had been looking at projected costs for a March 2002 phone system for the December 2001 filing deadline, but the nature of the filing process requires that we make these estimations as much as 18 months in advance of their implementation. So, for our March 2002 phone system, we needed to know what the system looked like, how many classrooms would be connected, monthly costs, etc., by December 2000, not December 2001. The filing window for the 2001/2002 school year happens before most school districts even know what their budget for that year looks like, often before local bond or levy elections take place. In December 2000, we knew the phone system was in need of repair or upgrade, but would never have been in the situation to make a financial commitment for a system with so many variables fifteen months in advance.

This seems an inestimable waste of time. Schools and libraries guess at their technological infrastructure for the next eighteen months, file some paperwork, hope they've used blue ink and not black, and I fear sometimes live with the repercussions rather than refile the paperwork. Complaints about districts using excess resources probably stem from the fact that if they guess poorly, they have two options:

- 1) keep the money and the surplus services, or
- 2) go through the application process again and risk making a mistake

I feel a much better approach would be to revamp the application filing process to mimic the income tax filing process. The districts would say, "Here's what we spent on connectivity, here's who we've paid." The USAC would then refund those districts money in the most equitable fashion, also having a better idea of the funds required to sustain connectivity in modern American schools.

This would make the fund more efficient twofold. First, the untold dollars in paperwork reduction by both the USAC and the applicants. Second, schools by necessity would not purchase (excess) services which they could not afford through their regular budget. Applicants would learn to estimate the refund much as citizens learn to estimate their tax refund (or penalty), and build that into future budgets, but this is markedly different than deficit financing a school or library's future infrastructure based on the

approval of FCC Form 470.

Form 500 notwithstanding, the best way to make us better neighbors is to keep us from telling stories from the outset.